

**IN THE UNITED STATES DISTRICT COURT FOR THE
WESTERN DISTRICT OF OKLAHOMA**

1. COMMUNITY CHRISTIAN SCHOOL, Inc.,)
an Oklahoma non-profit corporation,)
Plaintiff,)
v.) Case No.: CIV-14-303-C
1. CHURCH MUTUAL INSURANCE)
COMPANY, a foreign for-profit Insurance)
Corporation,)
Defendant.)

COMPLAINT

A. Parties

1. Plaintiff, Community Christian School, Inc. is an Oklahoma not for profit corporation incorporated and organized under the laws of the State of Oklahoma.
2. Defendant, Church Mutual Insurance Company, is a foreign for-profit insurance corporation incorporated and organized under the laws of the State of Wisconsin.
3. The principal place of business for Defendant, Church Mutual Insurance Company, is Merrill, Wisconsin.
4. The Defendant, Church Mutual Insurance Company, is licensed to conduct business in the State of Oklahoma and may be served with process through the Oklahoma Department of Insurance.

5. The Plaintiff Community Christian School, Inc. is an Oklahoma non-profit corporation with its principal location at 3002 Broce Dr., Norman, Oklahoma.
6. This action is not related to any other case filed in this court.

B. Jurisdiction

7. The court has jurisdiction over this matter pursuant to 28 U.S.C. § 1332 because there is diversity between the parties and the amount in controversy exceeds \$75,000.00, exclusive of interest and costs

C. Facts

8. At all times material hereto, the Plaintiff, Community Christian School, Inc., was insured under the terms and conditions of a property insurance policy, policy number 36-EP-8394-1, issued by the Defendant, Church Mutual Insurance Company.

9. At all times material hereto, the Plaintiff, Community Christian School, Inc., complied with the terms and conditions of its insurance policy.

10. On or about May 19, 2013, the Plaintiff, Community Christian School, Inc., and its affiliated buildings and structures sustained damage as a result of wind and hail.

11. Wind and hail are covered perils and are not limited or excluded pursuant to the terms and conditions of Plaintiff's property insurance policy.

D. Count I Breach of Contract

12. Plaintiff, Christian Community School, Inc., hereby asserts, alleges and incorporates paragraphs 1-11 herein.

13. The property insurance policy No. 0138068-02-239692, issued by Defendant, Church Mutual Insurance Company, was in effect on May 19, 2013.

14. The acts and omissions of Defendant, Church Mutual Insurance Company, in the investigation, evaluation, and denial of Plaintiff's claim were unreasonable and constitute a breach of contract for which contractual damages are hereby sought. Defendant, Church Mutual Insurance Company, breached its contract with Plaintiff, Christian Community School, Inc., by failing to conduct a reasonable investigation of the Plaintiff's claim and by improperly denying payment for damaged property and for underpaying property damage.

15. Although Plaintiff made demand for payment under the terms and conditions of its insurance policy, Defendant Church Mutual Insurance Company's acts and omissions, including the improper denial of policy benefits owed on Plaintiff's metal roofing structure and underpayment of Plaintiff's claim constitutes a breach of contract for which contractual damages are hereby sought.

E. Count II Bad Faith

16. Plaintiff, Community Christian School, Inc., hereby asserts, alleges and incorporates paragraphs 1-15 herein.

17. The acts and omissions of the Defendant, Church Mutual Insurance

Company, in the investigation, evaluation and payment of Plaintiff's claim were unreasonable and constitute bad faith for which bad faith and extra-contractual damages are hereby sought.

18. Defendant, Church Mutual Insurance Company, acted unreasonably, outside of insurance industry standards, and in bad faith and by failing to replace Plaintiff's metal roof with the same roofing product that Plaintiff had prior to the loss, despite the fact that the roofing material was readily available. Defendant, Church Mutual Insurance Company, unreasonably and in bad faith took the position during the claim that it did not matter what the roofing material costs to replace, Defendant was only allowed to pay the price generated by its estimating platform, Xactimate. Defendant was hostile to the Plaintiff and failed to work with the Plaintiff in the investigation and adjustment of its property damage claim which resulted in a wrongful denial of policy benefits for covered property. Defendant initially generated an estimate that was similar to Plaintiff's estimate in scope and price. Defendant, Church Mutual Insurance Company, subsequently retracted this estimate and advanced a lower estimate, stating that the Plaintiff should ignore the prior estimate because it was internal and Plaintiff was not supposed to see it.

19. Defendant, Church Mutual Insurance Company's unreasonable and bad faith refusal to include covered line items in its scope of work and refusal to pay for the

same kind of roofing material that was in place at the time of the loss resulted in Plaintiff, Community Christian School, Inc., being underpaid for its covered loss.

20. Defendant's unreasonable and bad faith refusal to pay for covered line items and failure to pay for the Plaintiff's specific roof covering was unreasonable, outside of insurance company standards, committed in bad faith and was part of a nationwide claims strategy to improperly reduce claims payments issued to Defendant, Church Mutual Insurance Company's insureds.

F. Count III Punitive Damages

21. Plaintiff, Community Christian School, Inc., hereby asserts, alleges and incorporates paragraphs 1-20 herein.

22. The unreasonable conduct of the Defendant, Church Mutual Insurance Company, in the handling of Plaintiff's claim was intentional, willful, wanton and was committed with a reckless disregard for the rights of the Plaintiff, Community Christian School, Inc., for which punitive damages are hereby sought.

G. Demand for Jury Trial

23. The Plaintiff, Community Christian School, Inc., hereby requests that the matters set forth herein be determined by a jury of its peers.

H. Prayer

24. Having properly pled, the Plaintiff, Community Christian School, Inc., hereby seeks contractual, bad faith and punitive damages against the Defendant, Church

Mutual Insurance Company, together in an amount in excess of \$75,000.00; including costs, interest and attorney fees.

Respectfully submitted,

S/ Michael D. McGrew

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